

COUNCIL POLICY**CURRENT**

SUBJECT: ANNUAL COUNCIL PROGRAMMING

POLICY NO.: 000-20

EFFECTIVE DATE: February 8, 2005

BACKGROUND:

The annual budget for the ensuing fiscal year is initially prepared within departments. Departmental budget requests are submitted to Financial Management for analysis. Recommended changes are developed and forwarded, along with the departmental requests, to the City Manager's Office for review, revision and approval. The process culminates in the Annual Proposed Budget, which is submitted to the Mayor and City Council for review and approval.

In the past, the budget preparation process leading up to the Annual Proposed Budget has been conducted without direct Council Policy guidance and in the absence of Citywide budget goals, objectives and program priorities. Consequently, establishing priorities across departments in the development process has been difficult and there has been a certain amount of speculation as to Council priorities.

PURPOSE:

The purpose of annual Council programming is to increase Council and citizen involvement in the formative stages of budget preparation and to establish a set of Citywide goals and objectives, and budget priorities on an annual basis. This will enhance the ability of the Mayor and City Council to shape the budget and direct the activities of the City.

POLICY:

It is the policy of the Mayor and City Council to conduct an annual programming effort whereby goals, objectives and program priorities are established at least seven months in advance of actual budget implementation. This policy shall be conducted in accordance with the schedule indicated below.

SCHEDULE:

1. Between late November and late December of each year, the Manager shall provide the Mayor and City Council with a report to serve as the "basis for programming." This report shall include a discussion of current budgetary policies and priorities,, a summary of allocated funds as set forth in the current budget, a high-level, preliminary forecast of anticipated revenues and estimates of major expenditure obligations, and recommended application of City resources as appropriate . The Manager shall also disseminate the report to all interested agencies, citizen groups and committees.

2. In early November, a policy committee including Council staff, Legislative Analyst, committee consultants and City Manager representative (for liaison purposes) shall review the Manager's "basis for programming" and citizen input (see 3 below), and make recommendations to Council regarding, but not limited to, policy guidelines, city-wide goals and objectives, priority of community needs, and unresolved issues that require further study by the Manager. The committee shall meet on an ongoing basis during the programming process.
3. No later than the third week in January, the City Manager shall present to the Mayor and City Council the Financial Status and Forecast Report. This report shall be a more in-depth, comprehensive overview of current year fiscal status, and shall also contain more refined expenditure and revenue forecasts for the upcoming fiscal year, based on the availability of 6 months of current year expenditure and revenue data.
4. The Mayor and City Council shall hear public input at the City Council meeting at which the release of the Financial Status and Forecast Report occurs. The Mayor and City Council shall also devote a portion of this meeting to the formulation of city-wide goals and objectives, program priorities, and other budget policy guidelines. In doing so, the Mayor and City Council shall consider the City Manager's Financial Status and Forecast Report as well as the public input.
5. As soon as practicable, the Manager shall transmit to departments the programming decisions and guidelines formulated by the Mayor and City Council.
6. Departments will prepare budgets and six-year plans in accordance with Council programming decisions.
7. The normal budget preparation and review process will ensue, with the City Manager submitting his proposed budget and six-year plan to the Mayor and City Council at the first Council Meeting in May.

HISTORY:

Adopted by Resolution R-215757 04/14/1976
Amended by Resolution R-219372 09/21/1977
Amended by Resolution R-255200 10/13/1981
Amended by Resolution R-300122 02/08/2005